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In November 1994 the people of Greenville County voted and passed a Referendum to establish a Food & Beverage Tax for the county.

The Board of Supervisors in a meeting January 3, 1995, passed an Ordinance adopting a four percent (4%) Meals & Beverage Tax effective February 1, 1995. Said tax collected must be reported and submitted by the 20th day of the month following the month of collection. A penalty of ten percent (10%), plus interest, will apply if not paid by the due date.

Very truly yours,

Martha S. Swenson
Commissioner of the Revenue
Greenville County

Guidelines for the Application of Meals (Food and Beverage) Tax

The Meals, or Food and Beverage, Tax was not intended to apply to groceries. But, it does recognize that some grocery stores and convenience stores include prepared food operations. The 1999 General Assembly modified State code sections 58.1-3833 and 58.1-3840 to prohibit imposition of a tax on some foods. These sections were further modified in the 2000 General Assembly (see the following underlined additions) to provide that the tax may not be imposed: "...Notwithstanding any other provision of this section upon alcoholic beverages sold in factory sealed containers and purchased for off-premises consumption or food purchased for human consumption as "food" is defined in the Food Stamp Act of 1977, 7 U.S.C. § 2012, as amended, and federal regulations adopted pursuant to that act, except, for the following items: sandwiches, salad bar items sold from a salad bar, prepackaged single-serving salads consisting primarily of an assortment of vegetables, and non-factory sealed beverages."

The 2000 amendment also eliminated from State Code Section 58.1-3833 (A.), the provisions which pertain specifically to counties that "...the food and beverage tax levied on meals sold by grocery store delicatessens and convenience stores shall be limited to prepared sandwiches and single meal platters".

"Food purchased for human consumption," means food for home consumption by humans, as defined under the Food Stamp Act of 1977, 7 U.S.C. § 2012. The definition includes most staple grocery food items and cold prepared foods packaged for home consumption. The tax is to be imposed on the purchaser of food and beverages served, sold, or delivered from a food establishment, whether prepared in such food establishment or not and whether consumed on the premises or not or furnished by a caterer.

Many food items prepared by a restaurant, cafeteria, fast food chain, delicatessen, and in many convenience stores would be subject to the food and beverage tax. Food sales by the other vendors are presumed to be taxable including the following: caterers, concession vendors, theme parks, sports arenas, stadiums, fair and carnival vendors, gift shops, hamburger and hot dog stands, honor snack vendors, ice cream stands and trucks, mobile food vendors, movie theaters and newsstands.

THE TAX APPLIES TO:

On-Premise:

- *All hot or cold foods and beverages (inclusive of factory-sealed beverages) sold with a meal, unless specifically exempt.*

Off-Premise:

- All sandwiches, hot or cold.
- All hot foods.
- All non-factory sealed beverages, fountain drinks, hot or cold coffee or chocolate, milkshakes, floats, Slurpees, Ices, or similar frozen ice drinks regardless of whether it has a lid, *when such beverages are sold with a meal.*
- Ice cream or frozen yogurt in a cone, dish or single serving sized open container sold by an ice cream type store or food establishment.
- Frozen or chilled factory packaged, single serving sandwiches, burritos, and the like, marketed and sold in a food establishment that provides a heating device to render the item palatable.
- Salads, commonly referred to as Chef, Cobb, or other similar garden style salads, that are packaged or prepared in a manner similar to those provided in a restaurant or purchased

in a grocery delicatessen or convenience store and packaged in containers affixed with lids or tops ready for immediate consumption.

THE TAX IS NOT CONSIDERED TO APPLY TO:

- A frozen TV dinner.
- Garden type salads in factory sealed packages that are considered to be for additional home preparation. These salads are usually sold in the produce section of grocery stores in factory sealed, stay-crisp style bags, and usually require additional preparation before consumption.
- Salads, such as potato, macaroni, chicken salad or coleslaw, sold by the pound and not for immediate consumption on premises. These salads are commonly sold in the grocery delicatessens in containers with lids.
- Frozen seafood, sold by the pound in grocery stores that provide employee operated steam cooking at no additional charge and when the item is not to be consumed on premise.
- Ice cream or frozen yogurt in factory packaged or bulk packed containers sold at a store or by a street or ice cream truck vendor.
- Alcoholic and non-alcoholic beverages, in factory sealed containers, sold for off-premise consumption.
- *Beverages sold for on-premise consumption, unless sold with a meal.*

Tips are not taxable unless:

1. The seller keeps part or all of a tip.
2. The seller adds a specific amount or percentage to the gross price of the food and beverage requires the customer to pay this amount.

Example: Some restaurants advertise on their menus that a 15% gratuity is automatically added for parties of 8 or more. This percentage is **TAXABLE**.

Coupons

- a. Two for one meal / food purchases or coupons that offer a percentage or a certain dollar amount off a meal are taxed based on the amount actually paid by the customer.
- b. "Entertainer coupons" and store coupons do not possess a currency exchange value. Therefore, tax is based on the cash price actually paid by the customer.
- c. Manufacturer coupons do possess a redemption factor and the establishment is compensated for coupon acceptance. The meals tax is applied to the whole, standard, non-discounted price that would have been paid for the two items.

NOTE: These guidelines were developed by the Virginia Municipal League, the Virginia Association of Counties and the Commissioners of Revenue Association of Virginia in conjunction with various food industry groups to provide guidance regarding what items are subject to the meals or food and beverage tax.

Examples of Food and Beverage Taxable/Nontaxable Items For Specific Businesses

Note: The burden shall be upon the seller of the food and beverage to maintain records detailing taxable receipts and nontaxable receipts.

Grocery Store/Supermarket/Convenience Store

The majority of items sold by a grocery or convenience store are not taxed. The tax applies to the sale of prepared food and beverage items from a delicatessen section operated within the grocery and convenience stores.

Taxable Items:

- All sandwiches (hot or cold), all hot foods, hot dogs, salad bar items sold from a salad bar, single serving salads, and all non-factory sealed beverages, fountain beverages, a cup of hot coffee or hot chocolate *sold with a meal*.
- Frozen or chilled factory packaged, single serving sandwiches, burritos, and the like, sold in an establishment that provides a heating device to render the item palatable, are meal taxable.

Nontaxable Items:

- *Non-factory sealed beverages, fountain beverages, hot coffee or hot chocolate sold separately.*
- Include but are not limited to factory sealed beverages such as beer and wine (for off-premise consumption), factory sealed soft drinks and bottled water.
- Meats and seafood, sold by the pound, that provide employee operated steam cooking at no additional charge, is a non-meal taxable item.
- Single and bulk servings of fruit.
- Cakes, doughnuts, brownies, rolls, muffins, loose or prepackaged cookies, pastries, chips and the like.
- Foods that are cooked and then chilled in accordance with health and food handling regulations, but packaged for home consumption.

Bakery (In counties, per 1990 Attorney General opinion, bakeries must have seating areas in order to impose meals tax. If a bakery has a seating area, the following rules apply concerning what is taxable. If a bakery has no seating area, then none of the items sold in that bakery are taxable.)

Taxable Items:

- Non-factory sealed beverages *sold with a meal*. All sandwiches (hot or cold).
- *Single-serving cake, pie, doughnuts and the like sold for on-premise consumption.*

Nontaxable Items:

- *Non-factory sealed beverages sold separately.*
- *Factory sealed soft drinks and bottled water.*
- *Cakes, doughnuts, brownies, rolls, muffins, pastries, loose or prepackaged cookies, chips and the like, sold for off-premise consumption.*
- *Whole or half pies and cakes and non-food items.*

Buffets

Taxable Items: All food and beverage items, all foods available for consumption sold at one price.

Nontaxable Items: Whole or half pies and cakes, non-food items, and factory-sealed beverages sold for a separate price.

Caterers

Taxable Items: All catering services furnished on the premises of another are taxable. Note: All charges for a catering service are taxable.

Delicatessen

Taxable Items: All sandwiches (hot or cold), salad bar items sold from a salad bar and soups.

Nontaxable Items: Sliced meats/cheese by the pound, salads (potato salad, macaroni salad) by the pound, party/gift baskets that include meats/cheese by the pound, party trays, crackers, prepackaged chips, cookies and the like.

Fast Food Chains/Restaurants

Taxable Items: All food and beverage items *sold with a meal* for on premise consumption, hot food items, sandwiches and salads packaged for off premise consumption, ice cream or frozen yogurt in a cone or container enabling immediate or off premise consumption.

Nontaxable Items: Non-food items, candy, gum, whole or half pies and cakes, prepackaged chips or cookies.

Take Out / Delivery Restaurants

Taxable Items: All hot food, sandwiches, salads packaged for off premise consumption and non-factory sealed beverage items *sold with a meal*. Cooked food types that are combined with other food products and sold as a warm or hot meal or "warm or hot home meal replacement" package.

Nontaxable Items: Foods that are cooked and then chilled in accordance with health and food handling regulations, but packaged for home consumption. *Non-factory sealed beverage items sold separately.*

Ice Cream/Frozen Yogurt Shops

Taxable Items: Ice cream or frozen yogurt in a cone, dish or single serving sized open container. Milkshakes, floats, sandwiches, non-factory sealed beverages *sold with a meal*.

Nontaxable Items: Ice cream or similar frozen products in factory packaged or bulk packed containers, cakes; cookies, rolls, factory sealed beverages, nuts, syrup, and regular loaves of bread. *Non-factory sealed beverage items sold separately.*

Movie Theaters/Theme Parks /Sporting Arenas

Taxable Items: All sandwiches, pizza, nachos, popcorn, beverages *sold with a meal*, ice cream, candy, gum.

Nontaxable Items: Non-food items, and *beverages sold separately.*

Foods and Food Products Defined W/ Examples	Reduced State Sales Tax	Meal & Bev. Taxable
Bakery foods		
Factory or Store Packaged for off-premise consumption	X	
Pies - whole/half	X	
Bagels, Breads	X	
Cookies and crackers	X	
Doughnuts	X	
Pastries	X	
Items served for on-premise consumption (if bakery has seating area)		X
Slice of cake or pie		X
Doughnuts served and eaten on premise		X
Beverages		
Factory-sealed alcoholic beverages sold for off-premise consumption		
Factory- or non-factory sealed beverages sold with a meal, for on-premise consumption		X
Non-factory sealed beverages sold separately for off-premise consumption		
Catering services furnished on premises of another. All catering services are taxable		X
Foods and Beverages sold with a meal prepared for on-premise consumption at:		
Delicatessens and deli counters with seating facilities		X
Fast Food Establishments with seating facilities		X
Festivals		X
Movie Theaters		X
Sporting Arenas		X
Restaurants		X
Fruits Singular, in bulk, or sliced in a container for off-premise consumption	X	
Hot or cooked food types		
Combined with other food products and sold warm or hot as a meal replacement		X
Chilled after cooking and packaged for home consumption	X	
Ice cream and frozen yogurts		
Factory or bulk packaged or factory wrapped	X	
In a cone or container for immediate or off-premise consumption		X
Blizzards or McFlurries		X
Milkshakes		X
Ice cream floats		X
Slurpees or lices		X
On-Premise Foods - All types hot or cold		X
Miscellaneous:		
Cold deli trays and party platters including food items sold by the pound	X	
Food, fruit, and gift baskets (not containing alcoholic beverages)	X	
Ice	X	
Movie Theaters, Sporting Arenas, Festivals : ALL Food Items		X
Nonalcoholic cocktail mixes	X	
Sandwiches (hot or cold) - All types	X	X
Sandwiches, burritos, and other similar single serving frozen or chilled food items, sold in an establishment with a customer operated heating device to render the item palatable	X	X
Salad bar items:		
Salad bar items sold from a salad bar	X	X
Prepackaged single serving salads	X	X
Salads factory packaged for off premise consumption	X	
Salads sold by the pound (Potato, macaroni, cold slaw)	X	
Seafood sold by the pound cooked by an employee-operated steam cooker at no additional charge	X	
Snack foods: (for off-premise consumption)		
Beef jerky	X	
Breath mints	X	
Candy, candy and chocolate coated products and other confectionery	X	
Chewing gum	X	
Extruded snacks such as cheese balls, curls, filled snacks, puffs, and twists	X	
Fruit flavored snacks (fruit roll-ups)	X	
Fabricated snacks such as food bars or squares, grain cakes and shoestring potato sticks	X	
Granola bars	X	
Popcorn (packaged for home consumption)	X	
Potato chips (factory packed)	X	

Registration No.
081-_____

GREENSVILLE COUNTY, VA
Registration For
FOOD & BEVERAGE TAX

Seperate Registration
Form Required For
Each Location

COMMISSIONER OF THE REVENUE
1781 Greensville County Circle- Room 132
Emporia, VA, 23847

1. Name of Business _____
2. Owner _____
3. Location of
Business _____
Number and Street
4. Class _____
Restaurant, Cafeteria, Delicatessen, Snack-Bar, Drive-In, Etc.
5. Mailing Address _____
If Different From Location
6. Telephone Number _____
7. Type of
Ownership _____
Individual-Partnership – Corporation
8. Name of Officials
if Corporation _____
9. Date Started, or to
Start at This Location _____
10. Name of Business Succeeding _____

Date _____ Signature _____

_____ Title

Note: Please return this form.
A copy will be returned
to you after registration
number is assigned.

Martha S. Swenson
Commissioner of the Revenue
1781 Greensville County Circle- Room 132
Emporia, VA, 23847

PLEASE RETURN ALL 3 COPIES

COUNTY OF GREENSVILLE, VIRGINIA
MARTHA S. SWENSON
COMMISSIONER OF THE REVENUE

I hereby certify that the figures shown on this form are in accordance with the Code of the County of Greenville, Virginia.

Signed _____

Checks Payable to:

COUNTY OF GREENSVILLE

TAXPAYER'S RECEIPT

The Code of Greenville County, Virginia imposes a 4% Food and Beverage Tax. Said tax must be reported and submitted by the twentieth (20th) day of the month following the month of collection. A penalty of 10% plus interest as required by the State Tax Code is imposed if not paid by the due date.

Registration No. _____

For Month of _____

Gross Receipts \$ _____
4% Tax on Meals \$ _____
Penalty (see above) \$ _____
Interest (see above) \$ _____
Total Remittance \$ _____

VALID ONLY FOR
AMOUNT RECEIPTED
BY TREASURER

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Interest (see above) \$ _____
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4% Tax on Meals \$ _____
Penalty (see above) \$ _____
Interest (see above) \$ _____
Total Remittance \$ _____

VALID ONLY FOR
AMOUNT RECEIPTED
BY TREASURER

WORKSHEET
FOR
COMPUTING GREENSVILLE COUNTY FOOD AND BEVERAGE TAX

BUSINESS NAME _____ **REGISTRATION #** _____
ADDRESS _____ **MONTH OF** _____

ITEM	AMOUNT
1. GROSS SALES (Including alcoholic beverages consumed with meal)	
2. Tax = 4% of gross sales	
3. *Penalty for late payment (10% of TAX DUE)	
4. Interest (as required by State Tax Code) *10% Per Annum on Tax and Penalty	
5. Total Tax, Penalty, & Interest	

Signature

Date

COMPLETE THIS WORKSHEET AND TRANSFER PROPER ITEMS TO THE THREE-PART TAX FORM ENCLOSED. PLEASE RETURN ALL THREE COPIES OF THE TAX FORM TO THE COMMISSIONER OF THE REVENUE IN THE ENVELOPE PROVIDED BY THE 20TH OF THE MONTH FOLLOWING THE MONTH OF COLLECTION.

*Penalty and interest imposed if tax is not filed and paid by the due date.